

**TECHNICAL REPORT**  
**CALIFORNIA WATER CODE DIRECTIVE PURSUANT TO SECTION 13267**  
**REGARDING PRODUCED WATER DISCHARGE**  
**CENTRAL PACIFIC RESOURCES**  
**USL AND LEHI-RICHARDSON LEASES**  
**CYMRIC FIELD - SECTION 7, R29S, R21E, MD B&M**  
**June 12, 2015 (revised July 13, 2015)**

Central Pacific Resources (CPR) is submitting this Technical Report pursuant to Central Valley Regional Water Quality Board's (Board) Order dated April 1, 2015. CPR is the operator of oil wells located on the USL Lease and the Lehi-Richard lease in Section 7, R29S, R21E, Cymric Field, Kern County. The USL lease has 2 ponds while the Lehi-Richardson lease has 3 ponds used in the process of petroleum production wastewater disposal. There are no other ponds or discharges of produced waters to land.

**WATER SAMPLES:** A representative water sample of the wastewater was collected from each pond. The required water quality analyses is presented in the attached Zalco Laboratories report, as well as on the enclosed CD excel file.

On April 21, 2015, water samples were collected at the point of entry of each of the five ponds. The samples were collected by Thomas W. Ladd and William E. Miller using appropriate water sampling protocol. Water sampling containers were provided by Zalco Laboratories. The wastewater samples were collected in the containers, labeled, placed in iced chests and transported to Zalco Laboratories, Inc. under chain of custody for analyses as directed in the Order.

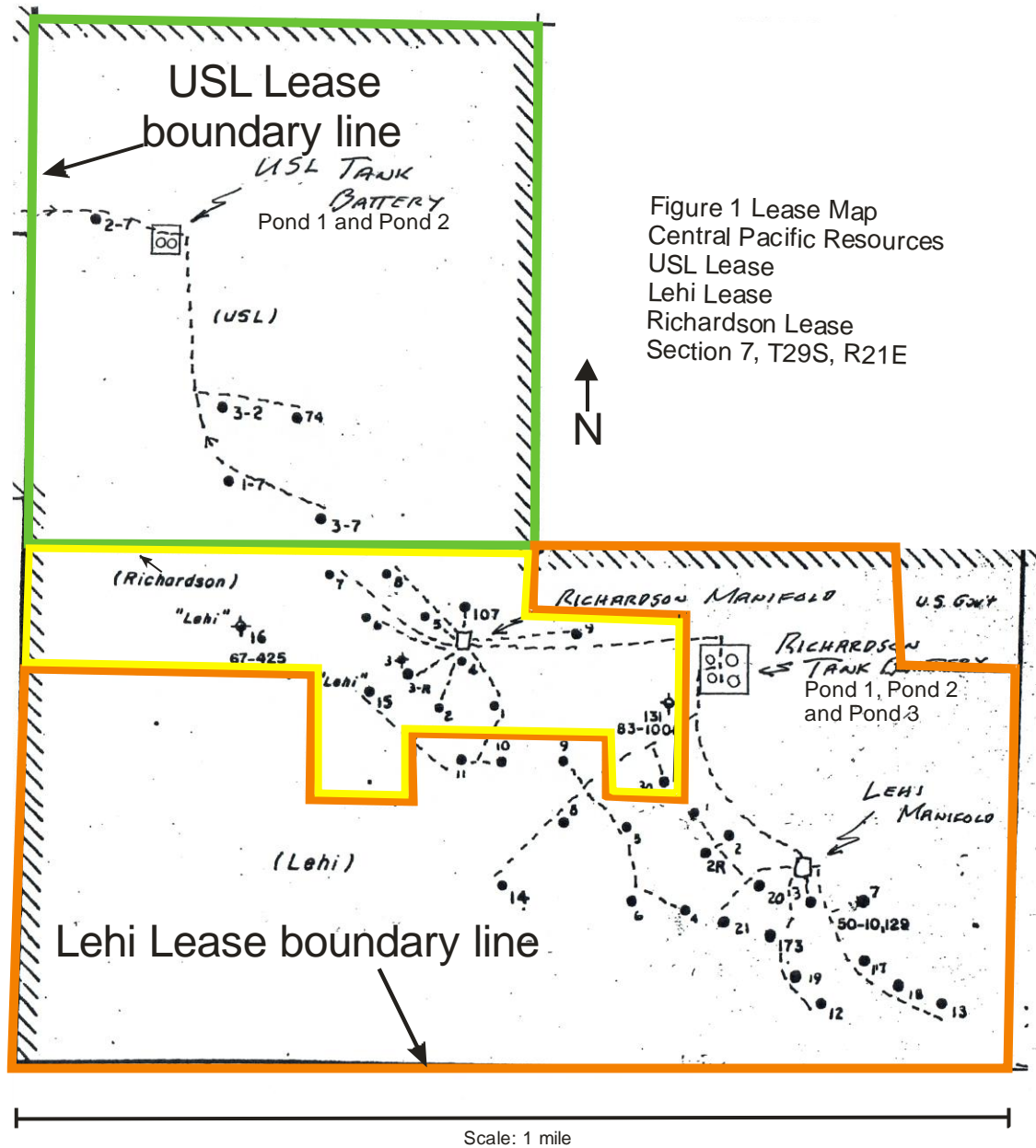
**SURFACE IMPOUNDMENTS DETAILS:** The CPR produced water is a result of pumping oil and water from the subsurface Etchegoin sand(Pliocene age) oil sand formation at a depth range of 400 to 1,000 feet. The oil and water are separated and contained at the surface tank facility. Wastewater was drained once to twice a week to the ponds. As a result of retention time during tank oil/water separation, there was no visible crude oil discharged to the ponds. Prior to the Board's NOV dated March 24, 2015, this wastewater discharge operated, 12-months per year. Presently, CPR is transporting the wastewater by vac truck to a commercial disposal facility.

The locations and dimensions of each pond is presented in the following table.

TABLE  
POND DETAILS

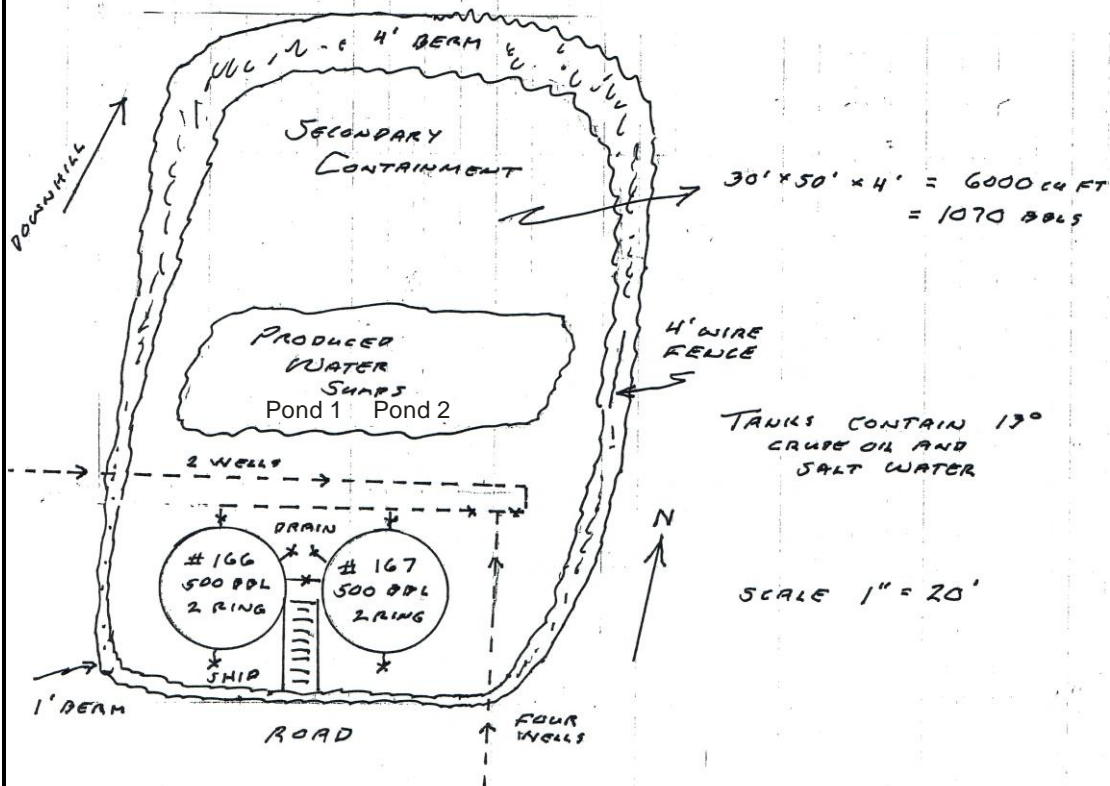
|                             | USL Pond 1      | USL Pond 2      | L-R Pond 1      | L-R Pond 2      | L-R Pond 3      |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| APN                         | 098-120-39-00-2 | 098-120-39-00-2 | 098-120-52-00-9 | 098-120-52-00-9 | 098-120-52-00-9 |
| Latitude                    | 35.423784       | 35.423803       | 35.418856       | 35.418849       | 35.418419       |
| Longitude                   | -119.765002     | -119.765073     | -119.754759     | -119.754516     | -119.754801     |
| Length -ft                  | 20              | 10              | 60              | 30              | 40              |
| Width - ft                  | 15              | 15              | 40              | 15              | 20              |
| Depth -ft                   | 4               | 4               | 6               | 5               | 7               |
| 2014 Barrels Discharge/year | 1350            | 1350            | 5600            | 5600            | 5600            |

**LOCATION MAPS:** The following three figures depict the CPR leases and facility schematic of the ponds.

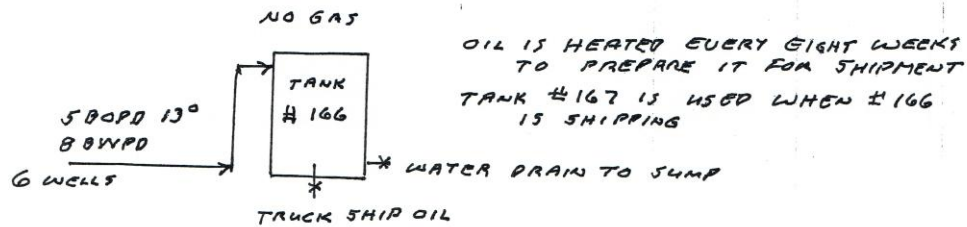


U5L TANK BATTERY  
 NW 1/4 SEC 7 T29S R21E  
 CYMAIC FIELD  
 KERN COUNTY, CA

Figure 2 Pond Schematic  
 Central Pacific Resources



### FLUID FLOW SCHEMATIC



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Figure 3 Pond Schematic  
Central Pacific Resources

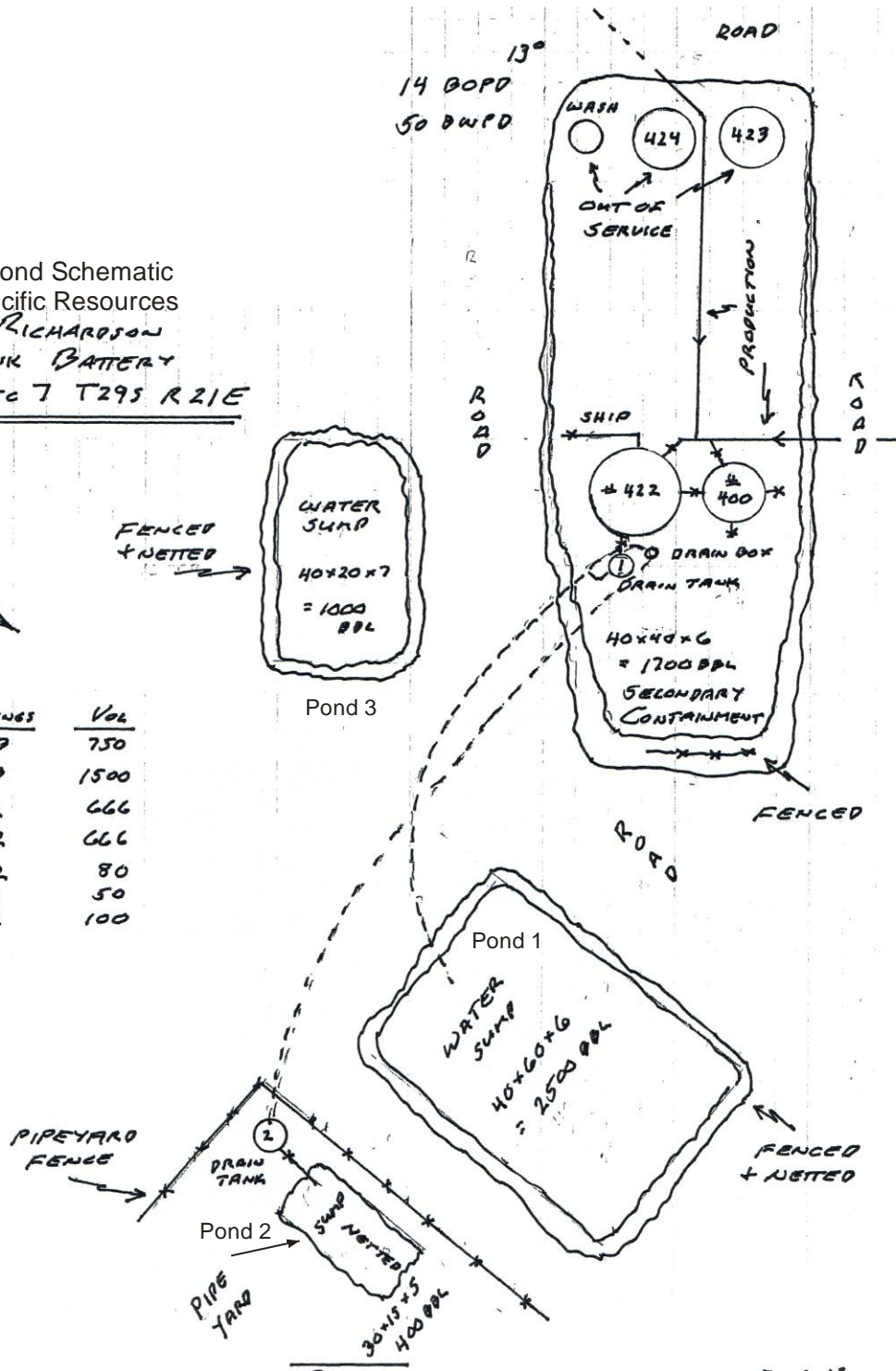
LEHI - RICHARDSON  
TANK BATTERY

SE 1/4 SEC 7 T29S R21E

SCALE  
1" = 30'

NORTH

| TANK    | RINGS | VOL  |
|---------|-------|------|
| 400     | 3     | 750  |
| 422     | 3     | 1500 |
| 423     | 2     | 666  |
| 424     | 2     | 666  |
| WASH    | 2     | 80   |
| DRAIN 1 | 1     | 50   |
| " 2     | 2     | 100  |



**ENVIRONMENTAL ASSESSMENT OF AREA OF INFLUENCE:** The risk of adverse environmental impact to the area within the a ¼ mile radius area of influence by the discharge of oilfield produced wastewater into the CPR USL and Lehi-Richard ponds is remote. First, the volume of water that is discharged is (was) a modest average 7.4 barrel of water per day to the USL ponds and a modest average 46.2 barrels of water per day to the Lehi-Richard ponds. Second, there is no known source of drinking water, i.e., fresh groundwater is absent in the area. And third, the wastewater is non-hazardous.

As a result of this information and review it is concluded that the discharge of wastewater to ponds is a favorable means of wastewater disposal of non-hazardous water from the CPR's oil field operations. The risk of adverse environmental impact to the area of influence by the discharge of wastewater into the CPR ponds is remote.

Pursuant to this Technical Report, CPR plans to prepare an Application/Report of Waste Discharge, Form 200 in order to obtain a WDR for the USL and Lehi-Richard ponds.

#### **CERTIFICATION STATEMENT**

*I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.*

Original signed

Thomas W. Ladd

California Professional Geologist #3568

Attachment: Zalco Laboratories Report of Analyses